



To: Indiana Housing Finance Authority Board of Directors
 From: Sheryl Sharpe, Wendy Landes, Shannon Fountain, Erika Scott, Jacob Sipe
 Date: November 16, 2000
 Re: Indiana Low Income Housing Trust Fund

In October, IHFA received five applications for \$1,000,318 in Trust Fund loans. The following four loans are respectfully recommended for Trust Fund financing totaling \$594,198 and impacting 20 units.

Elkhart Housing Partnership, Inc.	TF-00-04
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Trust Fund Amount Requested: \$250,000.00
Trust Fund Amount Recommended: **\$168,880.00**

Total Project Costs: \$912,850.00

Primary Project County: Elkhart
Housing Activity: Homebuyer - New Construction
 Construction Loan

Anticipated # of Assisted Units: 9
Income Range: 33% (3 units) at or below 80% AMI
 56% (5 units) at or below 60% AMI
 11% (1 units) at or below 50% AMI

Loan Terms	Requested	Recommended
Loan Amount	\$250,000.00	\$168,880.00
Rate	2%	3%
Term	4 years	4 years
Amortization	20 years	n/a
Security	1 st mortgage	1 st mortgage
Repayment Schedule	Annual interest-only payments with a balloon at the earlier of: 1) the end of the 4 th year; or 2) the completion of 9 homes.	Semi-annual interest-only payments with a balloon at the earlier of: 1) the end of the 4 th year; or 2) the completion of 9 homes.

The Elkhart Housing Partnership, Inc. will use a Trust Fund loan for Homebuyer - New Construction. The organization anticipates assisting 9 units in the City of Elkhart. Priority will be given to female-headed households and single-parent households. Elkhart Housing Partnership has also requested HOME CHDO funds in conjunction with this development.

Trust Fund Amount Requested: \$35,000.00

Trust Fund Amount Recommended: **\$35,000.00**

Total Project Costs: \$239,000.00

Primary Project County: Lawrence

Project Name: Midtown Suites

Housing Activity: Rental Rehabilitation

Construction Loan/Short-Term Permanent Loan

Anticipated # of Assisted Units: 4

Income Range: 25% (1 units) at or below 50% AMI

75% (3 units) at or below 40% AMI

Loan Terms	Requested	Recommended
Loan Amount	\$35,000.00	\$35,000.00
Rate	3%	3%
Term	7 years	7 years
Amortization	15 years	15 years
Security	1 st mortgage	1 st mortgage
Repayment Schedule	Semi-annual principal and interest payments with a balloon at the end of the 7 th year.	Semi-annual interest-only payments through September 30, 2001, with semi-annual principal and interest payments after September 30, 2001, and a balloon payment at the end of the 7 th year.

The Hoosier Uplands Economic Development Corporation will use a Trust Fund loan for Rental Rehabilitation. The organization anticipates assisting 4 units in the City of Mitchall. Priority will be given to female-headed households and elderly persons. Hoosier Uplands has also requested HOME CHDO funds in conjunction with this development. The organization previously received a CHDO Predevelopment Loan to determine the feasibility of the undertaking.

Trust Fund Amount Requested: \$80,000.00

Trust Fund Amount Recommended: **\$80,000.00**

Total Project Costs: \$150,000.00

Primary Project County: Ohio

Housing Activity: Rental Rehabilitation

Construction Loan/Short-Term Permanent Loan

Anticipated # of Assisted Units: 2

Income Range: 100% (2 units) at or below 80% AMI – current tenants
50% (1 unit) at or below 60% AMI – all future tenants
50% (1 unit) at or below 50% AMI – all future tenants

Loan Terms	Requested	Recommended
Loan Amount	\$80,000.00	\$80,000.00
Rate	1.43%	1.46%
Term	7 years	7 years
Amortization	30 years	30 years
Security	1 st mortgage	1 st mortgage
Repayment Schedule	Semi-annual principal and interest payments with a balloon at the end of the 7 th year.	Semi-annual principal and interest payments with a balloon at the end of the 7 th year.

The Rising Sun and Ohio County Senior Citizens Housing, Inc. will use a Trust Fund loan for Rental Rehabilitation. The organization anticipates assisting 2 units in the City of Rising Sun. Priority will be given to elderly persons. The organization will charge rents that do not exceed the 40% Rent Limits, as published annually by IHFA's Community Development Department.

Trust Fund Amount Requested: \$310,318.00

Trust Fund Amount Recommended: **\$310,318.00**

Total Project Costs: \$550,171.47

Primary Project County: Crawford

Housing Activity: Lease Purchase – Acquisition Only

Short-Term Permanent Loan

Anticipated # of Assisted Units: 5

Income Range: 40% (2 units) at or below 80% AMI

60% (3 units) at or below 60% AMI

Loan Terms	Requested	Recommended
Loan Amount	\$310,318.00	\$310,318.00
Rate	1%	3%
Term	3 years	3 years
Amortization	30 years	30 years
Security	1 st mortgage	1 st mortgage
Repayment Schedule	Semi-annual principal and interest payments with a balloon at the end of the 3 rd year. Additionally, principal repayments will be made as each house is sold.	Semi-annual principal and interest payments with a balloon at the end of the 3 rd year. Additionally, principal repayments will be made as each house is sold.

The Southern VI Corporation will use a Trust Fund loan to repay conventional construction financing for Lease Purchase – Acquisition Only. The loan will assist 3 units in English and 2 units in Tell City that were built in response to the flood that affected Southern Indiana in 1997. Construction on 13 homes was completed between May 1998 and May 1999. However, the organization has had difficulty selling the remaining 5 properties due, in large part, to potential buyers with credit problems and lack of downpayment.

Southern VI has teamed-up with Rural Opportunities, Inc. to identify 23 potential buyers. They have met with each client to discuss credit issues and create an action plan that identifies a potential timeline for home purchase. Eight clients have completed homeownership education classes. Those with timelines that exceed 9 months are working through a debt management program with the Consumer Credit Counseling Service. Once units are leased, Southern VI staff or an assigned representative will conduct quarterly one-on-one meetings to track progress and encourage them in reaching identified goals. Throughout this process, priority will be given to persons with physical disabilities and female-headed households.